

113
58 (cp)
ME

S. J. R. No. 35

By: Harris

S. J. R. 35

BY Harris

SENATE A JOINT RESOLUTION

proposing a constitutional amendment permitting the Legislature to authorize banks to use unmanned teller machines within the county or the city of their domicile, on a shared basis, to serve the public convenience.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article ^{xvi}16, Section 16 of the Texas Constitution be amended to read as follows:

"Section 16. CORPORATIONS WITH BANKING AND DISCOUNTING PRIVILEGES

"(a) The Legislature shall by general laws, authorize the incorporation of corporate bodies with banking and discounting privileges, and shall provide for a system of state supervision, regulation and control of such bodies which will adequately protect and secure the depositors and creditors thereof.

"No such corporate body shall be chartered until all of the authorized capital stock has been subscribed and paid in full in cash. Except as may be permitted by the Legislature pursuant to subsection (b) of this Section 16, such body corporate shall not be authorized to engage in business at more than one place which shall be designated in its charter.

"No foreign corporation, other than the national banks of the United States domiciled in this State, shall be permitted to exercise banking or discounting privileges in this state.

"(b) If it finds that the convenience of the public will be served thereby, the Legislature may authorize state and national banks to establish and operate unmanned teller machines within the county or city of their domicile. Such machines may perform all banking functions. Banks which are domiciled within a city lying in two or more counties may be permitted to establish and operate unmanned teller machines within both the city and the county of their domicile. The Legislature shall provide that a bank shall have the right to share in the use of these teller machines, not situated at a banking house, which are located within the county or the city of the bank's domicile, on a reasonable, nondiscriminatory basis, consistent with anti-trust laws. Banks may share the use of such machines within the county or city of their domicile with savings and loan associations and credit unions which are domiciled in the same county or city."

Double space

(4 solid underline. 11)

Insert from Am. #2
Insert House Am. #2

SECTION

1 Sec. 2. Should the ~~L~~egislature enact legislation in anticipation of
2 the adoption of this amendment, such law shall not be invalid because of its
3 anticipatory character.
4

SECTION

5 Sec. 3. The foregoing constitutional amendment shall be submitted
6 to a vote of the qualified electors of this state at an election to be held on
7 the first Tuesday after the first Monday in November, 19^{1980,}~~77~~, at which election
8 the ballots shall be printed to provide for voting for or against the proposi-
9 tion: "The constitutional amendment permitting the ~~L~~egislature to authorize
10 banks to use unmanned teller machines within the county or the city of their
11 domicile, on a shared basis, to serve the public convenience."
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1 By: Harris

S.J.R. No. 35

2 (In the Senate - Filed February 6, 1979; February 6, 1979,
3 read first time and referred to Committee on Economic Development;
4 March 26, 1979, reported favorably, as amended; March 26, 1979,
5 sent to printer.)

6 COMMITTEE AMENDMENT NO. 1

By: Jones of Taylor

7 Amend Senate Joint Resolution 35 by striking the last
8 sentence of Section 1 and substituting the following:

9 "Banks may be required by the legislature to share the use of
10 such machines within the county or city of their domicile with
11 savings and loan associations and/or credit unions which are
12 domiciled in the same county or city."

13 SENATE JOINT RESOLUTION

14 proposing a constitutional amendment permitting the legislature to
15 authorize banks to use unmanned teller machines within the county
16 or the city of their domicile on a shared basis to serve the public
17 convenience.

18 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

19 SECTION 1. That Article 16, Section 16, of the Texas
20 Constitution be amended to read as follows:

21 "Section 16. Corporations with banking and discounting
22 privileges

23 "(a) The Legislature shall by general laws, authorize the
24 incorporation of corporate bodies with banking and discounting
25 privileges, and shall provide for a system of State supervision,
26 regulation and control of such bodies which will adequately protect
27 and secure the depositors and creditors thereof.

28 "No such corporate body shall be chartered until all of the
29 authorized capital stock has been subscribed and paid [~~for~~] in full
30 in cash. Except as may be permitted by the Legislature pursuant to
31 Subsection (b) of this Section 16, such [~~such~~] body corporate shall
32 not be authorized to engage in business at more than one place
33 which shall be designated in its charter.

34 "No foreign corporation, other than the national banks of the
35 United States domiciled in this State, shall be permitted to
36 exercise banking or discounting privileges in this State.

37 "(b) If it finds that the convenience of the public will be
38 served thereby, the Legislature may authorize State and national
39 banks to establish and operate unmanned teller machines within the
40 county or city of their domicile. Such machines may perform all
41 banking functions. Banks which are domiciled within a city lying
42 in two or more counties may be permitted to establish and operate
43 unmanned teller machines within both the city and the county of
44 their domicile. The Legislature shall provide that a bank shall
45 have the right to share in the use of these teller machines, not
46 situated at a banking house, which are located within the county or
47 the city of the bank's domicile, on a reasonable, nondiscriminatory
48 basis, consistent with anti-trust laws. Banks may share the use of
49 such machines within the county or city of their domicile with
50 savings and loan associations and credit unions which are domiciled
51 in the same county or city."

52 SECTION 2. Should the Legislature enact legislation in
53 anticipation of the adoption of this amendment, such law shall not
54 be invalid because of its anticipatory character.

55 SECTION 3. The foregoing constitutional amendment shall be
56 submitted to a vote of the qualified electors of this state at an
57 election to be held on the first Tuesday after the first Monday in
58 November, 19_, at which election the ballots shall be printed to
59 provide for voting for or against the proposition: "The
60 constitutional amendment permitting the legislature to authorize
61 banks to use unmanned teller machines within the county or the city
62 of their domicile on a shared basis to serve the public
63 convenience."

* * * * *

Austin, Texas
March 26, 1979

Hon. William P. Hobby
President of the Senate

Sir:

We, your Committee on Economic Development, to which was referred S.J.R. No. 35, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, as amended, and be printed.

Creighton, Chairman

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

March 26, 1979

Honorable Tom Creighton, Chairman
Committee on Economic Development
Senate Chamber
Austin, Texas

In Re: Senate Joint Resolution No. 35
By: Harris

Sir:

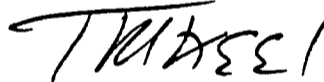
In response to your request pursuant to Senate Rule 94, Subsection (g), this office finds the fiscal implications of Senate Joint Resolution No. 35 (proposing a constitutional amendment permitting the Legislature to authorize banks to use unmanned teller machines within the county or city of their domicile, on a shared basis, to serve the public convenience) to be as follows:

The resolution would make no appropriation but would constitute prior legislative authorization for an appropriative request.

The resolution, should it be adopted, would permit enabling legislation that would require hearings to be conducted by the State Banking Board. Since the number and extent of such hearings that would be conducted are not known, the fiscal implications cannot be determined.

The cost of publication to the State prior to election of the resolution will be \$14,783 in fiscal year 1981.

No fiscal implication or additional cost to units of local government attributable to the resolution, should it be adopted, is anticipated.



Thomas M. Keel
Director

Source: Secretary of State; Department of Banking; and LBB Staff

Amend the cantion to conform to the
body of the bill

ADOPTED

MAY 9 1979

Betty King
Secretary of the Senate

Committee Amendment # 1

James of Taylor
for Grant

Amend ^{to} ~~Section~~ ^{Article} 35 by striking the
last sentence of Section 1 and
substituting the following:

"Banks may be required by the
Legislature the use of such machines
within the county or city of
their domicile with savings
and loan associations and ^(credit) ~~or~~ ^{credit}
unions which are domiciled
in the same county or city."

Approved
by the Legislature

Secretary of the Senate

41

100

2007 3 19/3

Henry King
Secretary of the Senate

24. Mr. 186

I certify that the attached is a true and correct
copy of SJR 35, which was
received from the Senate on 5-9-79 and
referred to the Committee on Constitutional Amendments

[Signature]
Chief Clerk for the House

May 9 1979 Engrossed
[Signature]
Engrossing Clerk

By: Harris
(Donaldson)

S.J.R. No. 35.

SENATE JOINT RESOLUTION

proposing a constitutional amendment permitting the legislature to
authorize banks to use unmanned teller machines within the county
or the city of their domicile on a shared basis to serve the public
convenience.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article 16, Section 16, of the Texas
Constitution be amended to read as follows:

"Section 16. Corporations with banking and discounting
privileges

"(a) The Legislature shall by general laws, authorize the
incorporation of corporate bodies with banking and discounting
privileges, and shall provide for a system of State supervision,
regulation and control of such bodies which will adequately protect
and secure the depositors and creditors thereof.

"No such corporate body shall be chartered until all of the
authorized capital stock has been subscribed and paid [for] in full
in cash. Except as may be permitted by the Legislature pursuant to
Subsection (b) of this Section 16, such [such] body corporate shall
not be authorized to engage in business at more than one place
which shall be designated in its charter.

"No foreign corporation, other than the national banks of the
United States domiciled in this State, shall be permitted to
exercise banking or discounting privileges in this State.

"(b) If it finds that the convenience of the public will be
served thereby, the Legislature may authorize State and national
banks to establish and operate unmanned teller machines within the

1 county or city of their domicile. Such machines may perform all
2 banking functions. Banks which are domiciled within a city lying
3 in two or more counties may be permitted to establish and operate
4 unmanned teller machines within both the city and the county of
5 their domicile. The Legislature shall provide that a bank shall
6 have the right to share in the use of these teller machines, not
7 situated at a banking house, which are located within the county or
8 the city of the bank's domicile, on a reasonable, nondiscriminatory
9 basis, consistent with anti-trust laws. Banks may be required by
10 the Legislature to share the use of such machines within the county
11 or city of their domicile with savings and loan associations and/or
12 credit unions which are domiciled in the same county or city."

13 SECTION 2. Should the Legislature enact legislation in
14 anticipation of the adoption of this amendment, such law shall not
15 be invalid because of its anticipatory character.

16 SECTION 3. The foregoing constitutional amendment shall be
17 submitted to a vote of the qualified electors of this state at an
18 election to be held on the first Tuesday after the first Monday in
19 November, 1979, at which election the ballots shall be printed to
20 provide for voting for or against the proposition: "The
21 constitutional amendment permitting the legislature to authorize
22 banks to use unmanned teller machines within the county or the city
23 of their domicile on a shared basis to serve the public
24 convenience."

HOUSE COMMITTEE REPORT

1st. Printing



By: Harris
(Donaldson)

S.J.R. No. 35.

SENATE JOINT RESOLUTION

proposing a constitutional amendment permitting the legislature to authorize banks to use unmanned teller machines within the county or the city of their domicile on a shared basis to serve the public convenience.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. That Article 16, Section 16, of the Texas Constitution be amended to read as follows:

"Section 16. Corporations with banking and discounting privileges

"(a) The Legislature shall by general laws, authorize the incorporation of corporate bodies with banking and discounting privileges, and shall provide for a system of State supervision, regulation and control of such bodies which will adequately protect and secure the depositors and creditors thereof.

"No such corporate body shall be chartered until all of the authorized capital stock has been subscribed and paid [~~for~~] in full in cash. Except as may be permitted by the Legislature pursuant to Subsection (b) of this Section 16, such [~~such~~] body corporate shall not be authorized to engage in business at more than one place which shall be designated in its charter.

"No foreign corporation, other than the national banks of the United States domiciled in this State, shall be permitted to exercise banking or discounting privileges in this State.

"(b) If it finds that the convenience of the public will be served thereby, the Legislature may authorize State and national banks to establish and operate unmanned teller machines within the

1 county or city of their domicile. Such machines may perform all
2 banking functions. Banks which are domiciled within a city lying
3 in two or more counties may be permitted to establish and operate
4 unmanned teller machines within both the city and the county of
5 their domicile. The Legislature shall provide that a bank shall
6 have the right to share in the use of these teller machines, not
7 situated at a banking house, which are located within the county or
8 the city of the bank's domicile, on a reasonable, nondiscriminatory
9 basis, consistent with anti-trust laws. Banks may be required by
10 the Legislature to share the use of such machines within the county
11 or city of their domicile with savings and loan associations and/or
12 credit unions which are domiciled in the same county or city."

13 SECTION 2. Should the Legislature enact legislation in
14 anticipation of the adoption of this amendment, such law shall not
15 be invalid because of its anticipatory character.

16 SECTION 3. The foregoing constitutional amendment shall be
17 submitted to a vote of the qualified electors of this state at an
18 election to be held on the first Tuesday after the first Monday in
19 November, 1979, at which election the ballots shall be printed to
20 provide for voting for or against the proposition: "The
21 constitutional amendment permitting the legislature to authorize
22 banks to use unmanned teller machines within the county or the city
23 of their domicile on a shared basis to serve the public
24 convenience."

COMMITTEE REPORT

The Honorable Bill Clayton
Speaker of the House of Representatives

May 16, 1979
(date)

Sir:

We, your COMMITTEE ON CONSTITUTIONAL AMENDMENTS, to whom was referred SJR 35
have had the same under consideration and beg to report back with the recommendation that it (measure)

- () do pass, without amendment.
- (X) do pass, with amendment(s).
- () do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested on May 16, 1979 and is attached as part of this report.
(date)

~~Author's fiscal statement attached:~~

The ~~Committee recommends that this measure be placed on the (Local / Consent) Calendar.~~

This measure () proposes new law.
() amends existing law.
(X) proposes a constitutional amendment.

House Sponsor of Senate Measure Jerry Donaldson

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Brown, Ch.	X			
Close, V.C.	X			
Criss				X
Hollowell			X	
Hudson				X
Keller	X			
Leonard	X			
Sharp	X			
Willis		X		

Total:
5 aye
1 nay
1 present, not voting
2 absent

Albert D. Brown
CHAIRMAN
Reynolds
COMMITTEE COORDINATOR

SJR 35

By: Harris

As Amended by: Keller

HOUSE CONSTITUTIONAL AMENDMENTS COMMITTEE

RESOLUTION ANALYSIS

BACKGROUND INFORMATION:

Article XVI, Section 16, of the Texas Constitution supplies authority of the state to provide for state banks and their regulation, as well as prohibiting branch banking in the state. The section also prevents any foreign corporation other than national banks of the United States from operating in the state.

PURPOSE:

To amend the constitution to permit the legislature to allow banks to set up and use branch unmanned teller machines for the public convenience.

SECTION BY SECTION ANALYSIS:

Section 1: This resolution will amend Article XVI, Section 16, to:

1. Prohibit national banks not domiciled in this state from exercising banking or discounting authority;
2. Allow the legislature to authorize state and national banks to set up and operate unmanned teller machines within the county or city of their domicile.
3. Allow the legislature by such a law to authorize the machines to perform all banking functions;
4. Provides that banks domiciled in cities or towns composed of territory in two counties may operate the machines in the city and in their own county;
5. Allows the legislature by law to allow banks to share the teller machines not located in a banking house, located in the city, county, or town of their domicile as long as it is:
 - a. done on a reasonable and nondiscriminatory basis; and,
 - b. consistent with antitrust laws; and
6. Permits banks to share the machines with savings and loan associations, and credit unions also domiciled in the same city or town.

Section 2: This resolution provides for validity of any laws passed in anticipation of this amendment's passage.

Section 3: Provides for the proposition "The constitutional amendment permitting the legislature to authorize banks to use unmanned teller machines within the county or the city of their domicile, on a shared basis, to serve the public convenience," to be placed on the November 4, 1980, general election ballot.

RULEMAKING AUTHORITY:

It is the committee's opinion that this bill does not delegate rulemaking authority to a state officer, department, agency, or institution.

COMPARISON OF ORIGINAL RESOLUTION TO AMENDED VERSION:

The amended version changes the language of the original resolution with regard to sharing of teller machines with credit unions or savings and loan associations. The original left it to the legislature to require banks to share their machines, whereas the amended version deletes reference to the legislature and leaves sharing to the banks' discretion.

COMPARISON OF ORIGINAL RESOLUTION TO AMENDED VERSION (Continued):

The second change to the original concerns the date of the ballot proposition will be presented to the voters. The original calls for a vote on the November 6, 1979, general election, whereas the amended version calls for the vote on November 4, 1980, general election ballot.

SUMMARY OF COMMITTEE ACTION:

On May 9, 1979, SJR 35 was referred to the Committee on Constitutional Amendments.

On May 16, 1979, a Formal Meeting was held by the Committee on Constitutional Amendments and the Committee voted to report SJR 35 to the full House as amended with the recommendation that it do pass by a vote of 5 ayes, 1 nay, 1 present not voting, and 2 absent.

This resolution proposes a constitutional amendment.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

May 16, 1979

Honorable Albert (Al) Brown, Chairman
Committee on Constitutional Amendments
House of Representatives
Austin, Texas

In Re: Senate Joint Resolution No. 35,
as engrossed and amended
By: Harris

Sir:

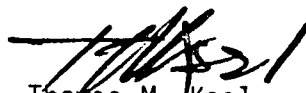
In response to your request pursuant to House Rule V, Section 28, this office finds the fiscal implications of Senate Joint Resolution No. 35 as engrossed and amended, (proposing a constitutional amendment permitting the Legislature to authorize banks to use unmanned teller machines within the county or city of their domicile, on a shared basis, to serve the public convenience) to be as follows:

The resolution would make no appropriation but would constitute prior legislative authorization for an appropriative request.

The resolution, should it be adopted, would permit enabling legislation that would require hearings to be conducted by the State Banking Board. Since the number and extent of such hearings that would be conducted are not known, the fiscal implications cannot be determined.

The cost of publication to the State prior to election of the resolution will be \$14,783 in fiscal year 1981.

No fiscal implication or additional cost to units of local government attributable to the resolution, should it be adopted, is anticipated.


Thomas M. Keel
Director

Source: Secretary of State; Department of Banking; LBB Staff: TK, JH, SZ.

ADOPTED

MAY 24 1979

Betty Murray
Chief Clerk

House of Representatives

By

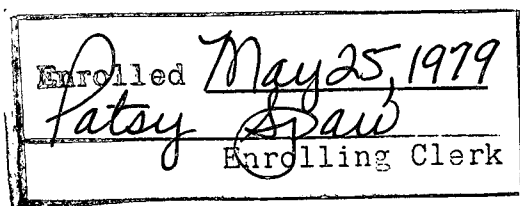
L. Keller
Keller

Committee Amendment No. 1

Amend S.J.R. 35 by striking the last sentence of Sec. 1
and substituting the following:

"Banks may share the use of such machines within the county
or city of their domicile with savings ^{-and-} loan associations and
credit unions which are domiciled in the same county or city."
and amend S.J.R. 35, Sec. 3, by omitting in their entirety the
figures "1979" and by substituting therefor the figures "1980".

These Am. # 0



S.J.R. No. 35

SENATE JOINT RESOLUTION

proposing a constitutional amendment permitting the legislature to authorize banks to use unmanned teller machines within the county or the city of their domicile on a shared basis to serve the public convenience.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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"No such corporate body shall be chartered until all of the authorized capital stock has been subscribed and paid [~~for~~] in full in cash. Except as may be permitted by the Legislature pursuant to Subsection (b) of this Section 16, such [~~such~~] body corporate shall not be authorized to engage in business at more than one place which shall be designated in its charter.

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county or city of their domicile. Such machines may perform all banking functions. Banks which are domiciled within a city lying in two or more counties may be permitted to establish and operate unmanned teller machines within both the city and the county of their domicile. The Legislature shall provide that a bank shall have the right to share in the use of these teller machines, not situated at a banking house, which are located within the county or the city of the bank's domicile, on a reasonable, nondiscriminatory basis, consistent with anti-trust laws. Banks may share the use of such machines within the county or city of their domicile with savings and loan associations and credit unions which are domiciled in the same county or city."

SECTION 2. Should the legislature enact legislation in anticipation of the adoption of this amendment, such law shall not be invalid because of its anticipatory character.

SECTION 3. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the first Tuesday after the first Monday in November, 1980, at which election the ballots shall be printed to provide for voting for or against the proposition: "The constitutional amendment permitting the legislature to authorize banks to use unmanned teller machines within the county or the city of their domicile on a shared basis to serve the public convenience."

S.J.R. No. 35

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 35 was adopted by the Senate on May 9, 1979, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 25, 1979, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.J.R. No. 35 was adopted by the House, with amendment, on May 24, 1979, by the following vote: Yeas 116, Nays 13, five present not voting.

Chief Clerk of the House

Approved:

Date

Governor

Proposing a constitutional amendment permitting the Legislature to authorize banks to use unmanned teller machines within the county or the city of their domicile, on a shared basis, to serve the public convenience.

2-6-79 Filed with the Secretary of the Senate
FEB 6 1979 Read, referred to Committee on ECONOMIC DEVELOPMENT
MAR 26 1979 Reported favorably. as amended
 Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.
 Ordered not printed.
MAY 9 1979 Senate and Constitutional Rules to permit consideration suspended by unanimous consent
 To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of _____ yeas, _____ nays.
MAY 9 1979 Read second time amended and ordered engrossed.
MAY 9 1979 Caption ordered amended to conform to body of bill.
MAY 9 1979 Senate and Constitutional 3-Day Rules suspended by vote of 31 yeas, 0 nays to place bill on third reading and final passage.
MAY 9 1979 Read third time and passed by 31 yeas, 0 nays.

OTHER ACTION:

Betty King
 Secretary of the Senate

May 9, 1979 Engrossed
MAY 9, 1979 Sent to HOUSE

Patsy Spaw
 ENGROSSING CLERK

MAY 9 1979 Received from the Senate
MAY 9 1979 Read first time and referred to Committee on Constitutional Amendments
MAY 16 1979 Reported favorably amended, sent to Printer 8:00pm
MAY 17 1979 Printed and Distributed 10:23 am
MAY 17 1979 Sent to Committee on Calendars 10:38 am
MAY 24 1979 Read second time amended and finally adopted
~~failed adoption by~~ Record Vote of 114 yeas 13 nays 5 present not voting
 Read third time (amended) and finally adopted
 failed adoption by a Record Vote of _____ yeas _____ nays _____ present not voting
 Caption ordered amended to conform to body of resolution
MAY 24 1979 Returned to Senate.

Betty Murray
 Chief Clerk of the House

MAY 24 1979 RETURNED FROM HOUSE with amendment
MAY 25 1979 Senate concurred in House amendments by the following vote: 31
 yeas, 0 nays.

MAY 17 AM 10:23

DEPT OF COMMERCE

ED